

1 shall be transferred to the state taxable building construction account
2 in lieu of any transfer otherwise provided by this section. The state
3 treasurer shall submit written notice to the director of financial
4 management if it is determined that any such additional transfer to the
5 state taxable building construction account is necessary. Moneys in
6 the account may be spent only after appropriation;

7 (5) Twenty-nine million twenty-five thousand dollars to the higher
8 education construction account created by RCW 28B.140.040.

9 These proceeds shall be used exclusively for the purposes specified
10 in this section and for the payment of expenses incurred in the
11 issuance and sale of the bonds issued for the purposes of this section,
12 and shall be administered by the office of financial management subject
13 to legislative appropriation.

14 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond
15 retirement account shall be used for the payment of the principal of
16 and interest on the bonds authorized in section 2 (1), (2), (3), and
17 (4) of this act.

18 (2) The state finance committee shall, on or before June 30th of
19 each year, certify to the state treasurer the amount needed in the
20 ensuing twelve months to meet the bond retirement and interest
21 requirements on the bonds authorized in section 2 (1), (2), (3), and
22 (4) of this act.

23 (3) On each date on which any interest or principal and interest
24 payment is due on bonds issued for the purposes of section 2 (1), (2),
25 (3), and (4) of this act the state treasurer shall withdraw from any
26 general state revenues received in the state treasury and deposit in
27 the debt-limit general fund bond retirement account an amount equal to
28 the amount certified by the state finance committee to be due on the
29 payment date.

30 NEW SECTION. **Sec. 4.** (1) The nondebt-limit reimbursable bond
31 retirement account shall be used for the payment of the principal of
32 and interest on the bonds authorized in section 2(5) of this act.

33 (2) The state finance committee shall, on or before June 30th of
34 each year, certify to the state treasurer the amount needed in the
35 ensuing twelve months to meet the bond retirement and interest
36 requirements on the bonds authorized in section 2(5) of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 2(5) of this act, the board of regents of the University of Washington shall cause to be paid out of University of Washington nonappropriated local funds to the state treasurer for deposit into the nondebt-limit reimbursement bond retirement account the amount computed in subsection (2) of this section for bonds issued for the purposes of section 2(5) of this act.

NEW SECTION. **Sec. 5.** (1) Bonds issued under sections 1 through 4 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. **Sec. 6.** The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 1 of this act, and sections 2 through 4 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. **Sec. 7.** For the purpose of providing funds for the planning, design, construction, and other necessary costs for replacing the waterproof membrane over the east plaza garage and revising related landscaping, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of sixteen million dollars, or as much thereof as may be required, to finance this project and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

NEW SECTION. **Sec. 8.** The proceeds from the sale of the bonds authorized in section 7 of this act shall be deposited in the state

1 building construction account created by RCW 43.83.020. The proceeds
2 shall be transferred as follows: Fifteen million five hundred twenty
3 thousand dollars to the state vehicle parking account created by RCW
4 43.01.225.

5 These proceeds shall be used exclusively for the purposes specified
6 in section 7 of this act and for the payment of expenses incurred in
7 the issuance and sale of the bonds issued for the purposes of this
8 section, and shall be administered by the office of financial
9 management subject to legislative appropriation.

10 NEW SECTION. **Sec. 9.** (1) The nondebt-limit reimbursable bond
11 retirement account shall be used for the payment of the principal of
12 and interest on the bonds authorized in section 7 of this act.

13 (2) The state finance committee shall, on or before June 30th of
14 each year, certify to the state treasurer the amount needed in the
15 ensuing twelve months to meet the bond retirement and interest
16 requirements on the bonds authorized in section 7 of this act.

17 (3) On each date on which any interest or principal and interest
18 payment is due on bonds issued for the purposes of section 8 of this
19 act, the state treasurer shall transfer from the state vehicle parking
20 account for deposit into the nondebt-limit reimbursable bond retirement
21 account, the amount computed in subsection (2) of this section for
22 bonds issued for the purposes of section 7 of this act.

23 NEW SECTION. **Sec. 10.** (1) Bonds issued under section 7 of this
24 act shall state that they are a general obligation of the state of
25 Washington, shall pledge the full faith and credit of the state to the
26 payment of the principal thereof and the interest thereon, and shall
27 contain an unconditional promise to pay the principal and interest as
28 the same shall become due.

29 (2) The owner and holder of each of the bonds or the trustee for
30 the owner and holder of any of the bonds may by mandamus or other
31 appropriate proceeding require the transfer and payment of funds as
32 directed in this section.

33 NEW SECTION. **Sec. 11.** The legislature may provide additional
34 means for raising moneys for the payment of the principal of and
35 interest on the bonds authorized in section 7 of this act, and sections

1 8 and 9 of this act shall not be deemed to provide an exclusive method
2 for the payment.

3 NEW SECTION. **Sec. 12.** The bonds authorized in sections 1, 7, and
4 14 of this act shall be a legal investment for all state funds or funds
5 under state control and for all funds of any other public body.

6 NEW SECTION. **Sec. 13.** The legislature finds that it is necessary
7 to complete the rehabilitation of the state legislative building, to
8 extend the useful life of the building, and provide for the permanent
9 relocation of offices displaced by the rehabilitation and create new
10 space for public uses.

11 Furthermore, it is the intent of the legislature to fund the
12 majority of the rehabilitation and construction using bonds repaid by
13 the capitol building construction account, as provided for in the
14 enabling act and dedicated by the federal government for the sole
15 purpose of establishing a state capitol, to fund the cash elements of
16 the project using capital project surcharge revenues in the Thurston
17 county capital facilities account, and to support the establishment of
18 a private foundation to engage the public in the preservation of the
19 state legislative building and raise private funds for restoration and
20 educational efforts. The bonds repaid by the capitol building
21 construction account, whose revenues are from the sale of capitol
22 building lands, timber, or other materials, shall be exempt from the
23 state debt limit under RCW 39.42.060, and if at any time the capitol
24 building construction account has insufficient revenues to repay the
25 bonds, the legislature may provide additional means for the payment of
26 the bonds, but any such additional means shall be subject to the state
27 debt limit.

28 NEW SECTION. **Sec. 14.** For the purpose of providing funds for the
29 planning, design, construction, and other necessary costs for the
30 rehabilitation of the state legislative building, the state finance
31 committee is authorized to issue general obligation bonds of the state
32 of Washington in the sum of eighty-two million five hundred ten
33 thousand dollars or as much thereof as may be required to finance the
34 rehabilitation and improvements to the legislative building and all
35 costs incidental thereto. The approved rehabilitation plan includes
36 costs associated with earthquake repairs and future earthquake

1 mitigation and allows for associated relocation costs and the
2 acquisition of appropriate relocation space. Bonds authorized in this
3 section shall not constitute indebtedness for purposes of the
4 limitations set forth in RCW 39.42.060, to the extent that the bond
5 payments are paid from the capitol building construction account.
6 Bonds authorized in this section may be sold at a price the state
7 finance committee determines. No bonds authorized in this section may
8 be offered for sale without prior legislative appropriation of the net
9 proceeds of the sale of the bonds. The proceeds of the sale of the
10 bonds issued for the purposes of this section shall be deposited in the
11 capitol historic district construction account hereby created in the
12 state treasury. These proceeds shall be used exclusively for the
13 purposes specified in this section and for the payment of expenses
14 incurred in the issuance and sale of the bonds issued for the purposes
15 of this section, and shall be administered by the office of financial
16 management subject to legislative appropriation.

17 NEW SECTION. **Sec. 15.** (1) The nondebt-limit reimbursable bond
18 retirement account must be used for the payment of the principal and
19 interest on the bonds authorized in section 14 of this act.

20 (2)(a) The state finance committee must, on or before June 30th of
21 each year, certify to the state treasurer the amount needed in the
22 ensuing twelve months to meet the bond retirement and interest
23 requirements on the bonds authorized in section 14 of this act.

24 (b) On or before the date on which any interest or principal and
25 interest is due, the state treasurer shall transfer from the capitol
26 building construction account for deposit into the nondebt-limit
27 reimbursable bond retirement account, the amount computed in (a) of
28 this subsection for bonds issued for the purposes of section 14 of this
29 act.

30 (3) If the capitol building construction account has insufficient
31 revenues to pay the principal and interest computed in subsection
32 (2)(a) of this section, then the debt-limit reimbursable bond
33 retirement account shall be used for the payment of the principal and
34 interest on the bonds authorized in section 14 of this act from any
35 additional means provided by the legislature.

36 NEW SECTION. **Sec. 16.** (1) Bonds issued under section 14 of this
37 act shall state that they are a general obligation of the state of

1 Washington, shall pledge the full faith and credit of the state to the
2 payment of the principal and interest, and shall contain an
3 unconditional promise to pay the principal and interest as it becomes
4 due.

5 (2) The owner and holder of each of the bonds or the trustee for
6 the owner and holder of any of the bonds may by mandamus or other
7 appropriate proceeding require the transfer and payment of funds as
8 directed in this section.

9 NEW SECTION. **Sec. 17.** The legislature may provide additional
10 means for raising moneys for the payment of the principal and interest
11 on the bonds authorized in section 14 of this act, and sections 15 and
12 16 of this act shall not be deemed to provide an exclusive method for
13 their payment.

14 **Sec. 18.** RCW 39.42.060 and 1999 c 273 s 9 are each amended to read
15 as follows:

16 No bonds, notes, or other evidences of indebtedness for borrowed
17 money shall be issued by the state which will cause the aggregate debt
18 contracted by the state to exceed that amount for which payments of
19 principal and interest in any fiscal year would require the state to
20 expend more than seven percent of the arithmetic mean of its general
21 state revenues, as defined in section 1(c) of Article VIII of the
22 Washington state Constitution for the three immediately preceding
23 fiscal years as certified by the treasurer in accordance with RCW
24 39.42.070. It shall be the duty of the state finance committee to
25 compute annually the amount required to pay principal of and interest
26 on outstanding debt. In making such computation, the state finance
27 committee shall include all borrowed money represented by bonds, notes,
28 or other evidences of indebtedness which are secured by the full faith
29 and credit of the state or are required to be paid, directly or
30 indirectly, from general state revenues and which are incurred by the
31 state, any department, authority, public corporation or quasi public
32 corporation of the state, any state university or college, or any other
33 public agency created by the state but not by counties, cities, towns,
34 school districts, or other municipal corporations, and shall include
35 debt incurred pursuant to section 3 of Article VIII of the Washington
36 state Constitution, but shall exclude the following:

1 (1) Obligations for the payment of current expenses of state
2 government;

3 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

4 (3) Principal of and interest on bond anticipation notes;

5 (4) Any indebtedness which has been refunded;

6 (5) Financing contracts entered into under chapter 39.94 RCW;

7 (6) Indebtedness authorized or incurred before July 1, 1993,
8 pursuant to statute which requires that the state treasury be
9 reimbursed, in the amount of the principal of and the interest on such
10 indebtedness, from money other than general state revenues or from the
11 special excise tax imposed pursuant to chapter 67.40 RCW;

12 (7) Indebtedness authorized and incurred after July 1, 1993,
13 pursuant to statute that requires that the state treasury be
14 reimbursed, in the amount of the principal of and the interest on such
15 indebtedness, from (a) moneys outside the state treasury, except higher
16 education operating fees, (b) higher education building fees, (c)
17 indirect costs recovered from federal grants and contracts, and (d)
18 fees and charges associated with hospitals operated or managed by
19 institutions of higher education;

20 (8) Any agreement, promissory note, or other instrument entered
21 into by the state finance committee under RCW 39.42.030 in connection
22 with its acquisition of bond insurance, letters of credit, or other
23 credit support instruments for the purpose of guaranteeing the payment
24 or enhancing the marketability, or both, of any state bonds, notes, or
25 other evidence of indebtedness;

26 (9) Indebtedness incurred for the purposes identified in RCW
27 43.99N.020; ((and))

28 (10) Indebtedness incurred for the purposes of the school district
29 bond guaranty established by chapter 39.98 RCW;

30 (11) Indebtedness incurred for the purposes of replacing the
31 waterproof membrane over the east plaza garage and revising related
32 landscaping construction pursuant to section 7 of this act; and

33 (12) Indebtedness incurred for the purposes of the state
34 legislative building rehabilitation, to the extent that principal and
35 interest payments of such indebtedness are paid from the capitol
36 building construction account pursuant to section 15(2)(b) of this act.

37 To the extent necessary because of the constitutional or statutory
38 debt limitation, priorities with respect to the issuance or

1 guaranteeing of bonds, notes, or other evidences of indebtedness by the
2 state shall be determined by the state finance committee.

3 NEW SECTION. **Sec. 19.** Sections 1 through 17 of this act
4 constitute a new chapter in Title 43 RCW.

5 NEW SECTION. **Sec. 20.** If any provision of this act or its
6 application to any person or circumstance is held invalid, the
7 remainder of the act or the application of the provision to other
8 persons or circumstances is not affected.

9 NEW SECTION. **Sec. 21.** This act is necessary for the immediate
10 preservation of the public peace, health, or safety, or support of the
11 state government and its existing public institutions, and takes effect
12 immediately."

13 **SB 5990** - S AMD 433
14 By Senators Fairley and Zarelli

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16 On page 1, line 2 of the title, after "accounts;" strike the
17 remainder of the title and insert "amending RCW 39.42.060; adding a new
18 chapter to Title 43 RCW; and declaring an emergency."

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